

The *FHMSPA* site is located in one of the poorest and crime-ridden neighborhoods of the city. *FHMSPA* will fulfill Flanner House of Indianapolis' larger mission through partnering with families by offering the widest variety of social programs of any school in the city, including day care; employment, housing and counseling programs; senior services; and numerous other programs (See Appendix A, pp. 10-14). We will continue with FHE's mission of nurturing families from a position of strength to ensure that no student falls through the cracks. This is vital as it has become increasingly clear that our traditional public school system is not providing the necessary support and academic services (both educational and non-educational) for minority students to succeed in school.

The situation among African American students in public schools in our city is dire. While approximately 50% of *all* IPS students pass the ISTEP in language arts and math, the percentage for African American students is approximately half of that. In fact, for the 2000-2001 academic year, only 17% of African American 6<sup>th</sup> graders enrolled in IPS passed the ISTEP in language arts, and only 23% in math. (Relative ISTEP results for ISP African-American students in language arts and math are shown in a graph included as Appendix E, as well in charts attached to the Capital Campaign Prospectus, Appendix A, pp. 16-18.) This information was researched by the Manhattan Institute for Policy Research on behalf of the Black Alliance for Educational Opportunities, or BAE0.)

*FHMSPA* wants to deliver a multi-dimensional environment that sanctions the development of a positive self-image, creativity, team skills, and effective communicators. *FHMSPA* will fill three specific educational needs, through:

- (1) establishing a middle school educational program that utilizes the arts as a means for creative expression and as a vehicle to fully interest students in learning for its own sake;
- (2) creating a rigorous and disciplined academic program for youth within an environment that sets the highest expectations for all students;
- (3) offering the most complete range of on-site support services to both students and their families in the city.

### The Performing Arts

Despite enormous interest and hundreds of arts organizations serving youth in our city, no Indianapolis public middle school integrates the arts *as a complete discipline integrally woven into the academic fabric of the school*. Funding for the arts is being diminished throughout IPS because of budgetary cut-backs, and the one magnet middle school with an arts focus offers students an option of art classes in addition to their academic class-work.

*FHMSPA* will take a very different approach. The arts will be integrated throughout our curriculum in innovative ways. In 2001, the United States Conference of Mayors endorsed a national arts in education campaign and urged mayors to work with their local arts councils to actively participate in the campaign at the local level, and also to motivate parents and other citizens to take action on children's behalf to ensure the return of a comprehensive arts education in all of our nation's public schools. Our Mayor has taken this to heart. *FHMSPA* is the perfect candidate for the Mayor's Arts Initiative of "enhancing the arts and culture in Indianapolis." It will offer a real training ground for young artists, without the added and costly training from private lessons and classes that often make them inaccessible to many students.

There is great need for a school that embodies all disciplines of the arts, allowing students exposure, training and development in a supportive environment that cultivates experimentation and creative excitement. And as middle school students will particularly relish the opportunity to perform to a broad audience, our auditorium and amphitheater are perfect environments for all-school performances. Moreover, we see our program as a vehicle for furthering the arts throughout our city and as a catalyst for making them more visible and accessible in our community.

## **B. Goals**

*FHMSPA's* general goals are detailed throughout this proposal. They center on providing a high quality education that will interest students in learning through combining an innovative curricular approach with a partnership with the greater community. Each student will be seen as gifted and special, and this quality should be felt throughout all aspects of our program.

More specifically, we will:

- Recognize that our customers are our students, parents, and the community, and to be continually responsive to their concerns.
- Challenge each student in every course to do the very best they can to the extent of their full creative and intellectual abilities.
- Enhance each student's social and emotional development to foster positive relationships among peers.
- Ensure a safe, civil, and optimum learning environment.

Our goals for our students include:

- Realizing their creative, artistic, intellectual, and personal potential as future leaders of our society.
- Setting the highest expectations appropriate for each child in terms of his or her performance.
- Meeting challenges and learning to take artistic and intellectual risks.
- Learning to reason critically, solve problems creatively, develop intellectual integrity, and express their ideas competently in artistic, oral and written presentations.

- To acquire a genuine love of learning.
- To commit themselves to the mastery of educational fundamentals and the development of critical-thinking skills.
- To internalize the values of personal responsibility, individual freedom, and respect for others.
- To acquire research skills as a means of developing individualized learning, independent thinking, and ongoing self-reliance.

Our most important specific goals are as follows:

#### Academic Outcome:

- 70% of all students taking the Terra Nova exam will show an improvement in their test scores between the fall and spring (in English/language arts and mathematics in grades 5 and 7, and in social studies and science in grades 6 and 8).

*FHSPA* feels strongly that our rigorous academic program will translate to higher test scores in all subject areas.

#### Organizational Viability:

##### Board Viability:

- All board positions, officers and our Advisory Council will be in place by July 15<sup>th</sup>. Together, board members will have the following skills sets: management, financial/fundraising, start-up/strategic planning, legal, business, educational, and artistic.

#### School-Specific Objective:

We have chosen two goals that illustrate our commitment to the school and larger community:

- 90% of *FHSPA* students will contribute at least 15 volunteer hours *per semester* in a school-wide community service initiative.

In addition, we have set a corresponding goal for our parents:

#### Parent Involvement:

- Parent volunteer hours will average at least 10 hours per family per semester.

#### Performing Arts

Performing Arts-related goals are as follows:

##### *Skill Development:*

- Students should develop an overall appreciation as they improve their listening skills, knowledge of basic history/theory, and technical skills.

##### *Expectations for Students:*

- All students are expected to practice at home, attend all rehearsals and all performances.

*Skills Acquired/Relevance to Future Courses:*

- Each student should learn the basic concepts in their chosen major to gain confidence in their own abilities and have the rudimentary tools to continue in their studied major.

## **II. Who We Are**

### **A. Founding Group**

*FHMSPA's* founding group is composed of educators, artists, managers, and community leaders who share an interest in utilizing an artistic focus with a rigorous academic approach to middle school education.

*FHMSPA* has already identified four of its prospective teachers:

- two are current IPS instructors (one a middle school math teacher and the other a music teacher);
- one is a retired music teacher; and
- a fourth currently has a masters in education and is now entering a teacher licensure program. She has a particular interest in using the arts to teach middle school English.

Key founders include:

*Alpha Blackburn*, who will serve as Chair of our Advisory Board, is President & CEO of Blackburn Architects, Inc. She serves on the Board of the Indianapolis Arts council, the Indianapolis Museum of Arts, the Indianapolis Symphony Society, and Dance Kaleidoscope, and serves as a key member of numerous other organizations. She will be joined on the Advisory Board by Jane Schlegel, a leading arts supporter in the metro area who is a member of the Indianapolis' Opera Board of Directors. Glen White, Manager of Performing Arts and festivals at the Indianapolis Museum of Art, will be a key member of our Board of Directors.

*De Neen Owens* will serve as one of *FHMSPA's* Co-Directors, and brings over 15 years of experience and training from the field of performing arts. A graduate from Clark Atlanta University, she also holds a Master's in Business Administration. In her current position at American Trans Air, she is responsible for managing several asset and liability accounts, including but not limited to the company's purchasing card program with activity in excess of \$11 million for 2001 fiscal year, as well as supervising an internal auditing team. De Neen brings a kaleidoscope of knowledge as both an artist and strength in business management.

*De Ana Owens* brings a community and entrepreneurial prospective to the founding group. As a previous minority small-business owner and co-founder of Concierge Express, she understands the difficult, yet gratifying aspects of a start-up business.

Resumes and background materials on our founders is contained in Appendix C.

### **III. Educational Services Provided**

#### **A. Educational Philosophy**

Like FHE, *FHMSPA* will offer small classes; dedicated teachers; individualized attention; mandatory parental involvement through a covenant process; on-site social and support services to parents and children; community service programs; and extensive community partnerships.

The underlying philosophy of *FHMSPA* is the same as FHE's: to set the highest possible expectations for all students, regardless of their background, and ask them to achieve to their full potential. This "no excuses" philosophy has formed the basis for the strong academic success at Flanner House Academy, the private school that is now transitioning into FHE, and has also proven tremendously highly effective with inner city students throughout the country. We will continue with Flanner House Academy's strategy of combining this philosophy with a respect for and honoring of each student and staff member within a highly disciplined environment. As at FHE, all students will have clearly defined responsibilities within the classroom. We will also demand and emphasize hard work. In sum, the entire school environment will be geared toward academic achievement and creative expression, and stress hard work and responsibility as important and necessary contributions from every member of the school community.

It is a fact that minority students are often not expected to excel in school. Yet our experience has been that most children, given sufficient encouragement and respect, usually meet whatever expectations have been set for them. We realized long ago that a lack of income, the existence of one-parent families, and other factors common to poorer neighborhoods do not constitute sufficient reasons why children cannot learn. Our response is to demand that *all* students do their best, regardless of their circumstances.

Within every organization a culture gets created that is made up of processes, assumptions, habits, attitudes and values. At Flanner House Academy, Flanner House carefully inculcated a culture that changes the traditional educational system in fundamental ways. Our classrooms are orderly, with no disruptions. We treat *all* children as gifted. At the same time, there is a tremendous respect for and honoring of each student's individual potential, resulting in outstanding academic progress and character development. And there is so much enthusiasm for learning that we have had almost no turnover in enrollment the last three years—together with 100% parent participation. These attributes will be continued and will be key to our success at *FHMSPA*.

Our experience is not unique. Studies increasingly make clear that *it is the culture and expectations of a school, not the background of its children, that create results*. All across America, students in small, high academic, disciplined learning environments in the most poverty-stricken urban areas excel when higher expectations are set. (For example, see the extensive studies of 21 high-performing inner city schools at

[www.noexcuses.org](http://www.noexcuses.org).) These schools have developed innovative approaches to interest all students in education and stimulate real learning at every level. And they consistently outperform almost every other school in their respective states.

The recent passage of Indiana's charter school law created a unique opportunity for Flanner House to offer an increasing number of minority students a disciplined, quality educational experience—while also serving the needs of their families and the community. Through our commitment not to tolerate mediocrity, we will serve African-American families and others in one of the poorest and crime-ridden neighborhoods of Indianapolis. And through using a holistic approach that is child-centered and family-focused, we will nurture families from a position of strength while ensuring that no child fall through the cracks. Our vision is to help make children of color, now the least-served educational constituency in Indianapolis, the best served—while including children of all backgrounds and ethnic origins.

As with Flanner House Academy, as part of this philosophy, parents will be truly welcomed and encouraged to volunteer as much as possible to cut expenses, increase family commitment, and contribute their input to the school's programming.

#### Site

- As stated above, *FHMSPA* will be situated on a new multi-million dollar campus in partnership with a variety of other educational and social service entities. Funding for this capital campaign, which has been planned for over a year, has already started to arrive. Over forty perspective donors were interviewed as an integral part of the planning process. Many of the amenities available on this campus—including a 600-seat auditorium, an arboretum, an outdoor amphitheater, a new and expanded public library, and a child development center, and a new gym—will be utilized by public school students, their families, and other community members. Along with *FHMSPA*, they will also serve as the primary vehicle for revitalizing our entire neighborhood.

#### Service and Integration with the Broader Community

A key part of our educational philosophy lies in integrating the community in the school: we simply do not believe that students should be isolated from those outside the school environment. For example, a multi-service facility adjacent to the school will house a Senior Citizen's Center, and students will have ample opportunity to undertake joint activities with seniors ranging from creative projects and presentations to other service-oriented care. Students will also be encouraged and scheduled to mentor elementary children at FHE. And Flanner House's focus on the community will offer other initiatives for participating in clean-ups, work with the disabled, and many other projects.

## The Association of Flanner Schools (AFS)

The Association of Flanner Schools will be an independent non-profit, initially composed of Flanner House Elementary; and Flanner Middle School of the Performing Arts and Flanner House Higher Learning Center, both of which are now applying to the Mayor for sponsorship. Though working with students with different ages and backgrounds, each will share Flanner House's commitment to a culture embodying mutual respect, enthusiasm, strict discipline, shared responsibility, core values, and consistent educational quality. In participating as a partner in AFS, each school will commit to the following parameters:

- send one representative to AFS's board.
- have its own individual board and be a separate 501©3.
- agree to invoke strict quality and ethical standards.
- share centralized fundraising for all AFS schools (except for individual programs) to maximize funding potential.
- share in support and professional development initiatives.
- Commit to remaining small, parent-responsive, creative, and community-based.
- share a "no excuses" focus, treating every child as gifted.
- share Flanner House's interaction with families and the community through collaborative on-site counseling and social services.
- integrally include parents as volunteers, active participants, and board members.
- offer a high quality academic education.

## The Performing Arts

*FHMSPA* assumes that learning is best accomplished by stimulating a student's natural curiosity and desire to be challenged. Learning should encourage risk and experimentation, develop intellectual skills and a life-long commitment to learning, engender a sense of intentionality and self-awareness, and nurture the joy of self-discipline. At *FHMSPA*, this will take place within a context of genuine concern for personal growth and well being, an environment in which the relationship between teacher and student is salutary and supportive and where struggle and difficulty are viewed as positive challenges. These efforts are supported by a strong relationship with the local arts community.

We view the performing arts (emphasizing music, theatre, and dance, while including the other arts) as the perfect vehicle for bringing forth a child's creativity and interest. Indianapolis has a wealth of organizations and individuals who can lend support as mentors, teachers, and inspirers of artistic expression and education. As stated above, our approach is not just to offer arts courses in addition to a rigorous academic focus, but to integrate the two whenever possible. For example, we have found a teacher who is skilled at using music as a tool to help teach students the language arts. This type of collaboration and integration will exist throughout our programming.

We see the arts not only as a valuable vehicle for interesting students in education and as a potential vocation for many of them, but as an essential component in nurturing and developing the whole person.

## **A. Curriculum**

### The Arts

At *FHMSPA*, the arts are designed to provide students with opportunities to identify, separate, relate, analyze, evaluate, and express ideas and feelings. In order for students to have the tools to explore these opportunities, our program allows for the sequential development of art elements, art concepts and fundamentals and skills with art media.

Our program will be based on a thoughtful, rigorous, and innovative curriculum that stretches cognitive abilities and is balanced by a chosen major in the arts. These components will foster the building of self-esteem while emphasizing self-reliance, a commitment to others, a sense of community, trust, and the appreciation of the value of self-discipline and hard work.

*FHMSPA*'s arts curriculum will offer students the following choices--through a combination of regular instruction, mentorship, volunteers, and on and off-site partnership and enrichment programs:

- Voice
- Instrumental music
- Dance (ballet, tap, modern, jazz, and African and other ethnic dance)
- Theatre (acting and directing)
- Production and Communication (producing a movie, play or video; staging and props)
- Visual Arts (drawing, mask-making, etc.)
- Writing (authoring a play, screenplay, poetry)
- Filmmaking

Both the 600-seat auditorium and an outdoor amphitheatre planned adjacent to the school will offer perfect venues for artistic performances.

### Individualized Learning and Special Needs

*FHMSPA* sees art, and the performing arts in particular, as a perfect vehicle for working with students with special needs, as well as encouraging those performing below grade level. All students, at whatever level, can learn to express themselves and find satisfaction through artistic endeavor. Our objective is to encourage their interest in learning and to affirm their ability to express themselves effectively, particularly in front of their peers.

*FHMSPA* was established to principally serve the community situated in one of the poorest and most crime-ridden neighborhoods in the city. As its parent organization, Flanner House, has a multitude of instructional, mentorship, and GED programs for at-risk students (and will be the site of a second charter school in 2003 for at-risk students and dropouts), *FHMSPA*'s administration has extensive experience in and sensitivity to mentoring both at-risk and low-performing children.

The underlying philosophy of *FHMSPA* is to treat children as gifted and talented, regardless of circumstance. This involves challenging every student to do their very best at whatever level they are, and continually encouraging them to strive to do better. This applies as well to at-risk, ESL, and special needs populations. We are establishing an extensive tutoring program composed of staff, mentors, community partners, and parent volunteers, that will provide additional focus to limited English proficient learners as well as any other students in need of help. In addition, our extensive experience as well as on-site services will also help to support their needs.

For any students assessed at below grade level in reading and for special needs students, our goal remains to work actively and on an individualized basis, bringing in special tutors whenever appropriate, to bring students up to grade level throughout the course of the a year. We have been tremendously successful at achieving this goal at Flanner House Academy, and think this experience will translate directly to *FHMSPA*.

In addition, *FHMSPA*'s curriculum will continue to emphasize Flanner House's traditional focus on serving the community. It will nurture the intellectual discipline and habits of mind that promote critical, coherent and independent thinking, and the capacity for problem-solving and decision-making. It will provide challenging standards to aid student growth toward self-reliance and productive participation in society. Finally, it will promote an appreciation of how individuals can impact a society through creative and inventive endeavors.

Finally *FHMSPA* will be open extra hours, both before and after school, for tutoring, music activities and private lessons.

## **B. Assessment**

*FHMSPA* will continue with FHE's policies of:

- (1) Integrated assessments to confirm student progress, promptly identifying situations that require intervention or greater challenge, and guaranteeing accountability of the school;
- (2) Rigorous curricula with defined grade-by-grade outcomes in line with state, national and international standards, and focusing on cumulative acquisition of knowledge and skills in academic areas; and
- (3) Teaching methods that provide the support and challenges children need to master and exceed grade-appropriate skills, ideas and facts in every subject area.

- As with FHE, we will fully utilize parent, staff, and student surveys to help measure satisfaction with the school. *FHMSPA* is also committed to timely and complete communication with parents about each child's progress.
- SchoolStart will recommend outside evaluators to undertake a comprehensive study of the school's performance towards the end of its initial academic year. This study will include interviews with students, parents and staff; observations of classroom and general school activities; a review of surveys from all school stakeholders; and a thorough evaluation of test score results and other accountability data.
- We will compile all of these assessment results and publish them by June of each year. We will also create a team of staff, parents, and board to evaluate the results and determine what needs to be improved for the following year, and where additional resources need to be allocated (for more educational assistants, computer training, a particular grade or subject, etc.). Results of this annual assessment will also be sent to all parents.

*FHMSPA* will use a wide range of both academic and non-assessments in various grades, including:

- ISTEP English/Language Arts and Mathematics tests during grades 6 and 8. Students in these grades will also receive the Terra Nova tests in Science and Social Studies.
- ISTEP science and social studies testing, as well as Terra Nova English/Language Arts and Mathematics tests, for grade 7.

#### Performing Arts Assessment

*Evaluation format:*

- Students will be evaluated on their performance skills, listening skills, knowledge of theory/history and attitude /effort.

### **C. Special Student Populations**

We anticipate that *FHMSPA* will join FHE as a member of a special education coop now being formed in partnership with the Mayor's office and the DOE by four charter schools currently located within Indianapolis, called the Indianapolis Charter Special Services (ICSS). ICSS' Director of Special Education will interface with the DOE's special education department as well as the special ed. teacher employed at each collaborating school to help ensure that all special needs students receive the services they are entitled to. He or she will help with regulatory, reporting, financial, evaluative, programmatic, and other aspects of the program.

At *FHMSPA*, this position will be supplemented by a multiply-licensed special educational teacher on our staff who will be responsible for all assessments and monitoring of individual students, and by contracts with other collaborative schools and agencies to provide any other special needs. We have already received a number of phone calls from candidates for this position.

Finally, *FHMSPA*'s own special education teacher will engage teachers and parents in the process of determining appropriate services and forming Individual Education Plans (IEPs). While our philosophy remains to integrate special ed. students as much as possible into mainstream classrooms, students with exceptionally high needs may need to spend far more time with our special ed. consultant. Moreover, as stated above, we will utilize the arts, including music and theatre, as much as possible to expand opportunities for learning and creative expression of our special needs students.

Similarly, depending on the number of LEP students enrolled, *FHMSPA* will contract with a licensed ESL instructor to address the needs of these students. This instructor will work closely with teachers, volunteer tutors, and parents, to ensure that LEP students progress along with their appropriate grade level. Volunteer tutors will be asked to supply additional support as needed, and we will also utilize community services to consistently augment on-site instruction and practice.

#### **IV. Organizational Viability and Effectiveness**

##### **A. Budget and Financial Matters**

In terms of enrollment, *FHMSPA* will draw heavily on FHE's graduating classes, which will naturally welcome an educational environment that closely follows FHE in offering a highly disciplined and rigorous academic environment for its students, while occupying an adjacent site. In fact, parents of current students at Flanner House Academy formed the impetus for *FHMSPA*, as they were alarmed at the prospect of their children following their current experience by attending a traditional middle school. In addition, *FHMSPA* will draw from the many thousands of students now participating in performing arts programs throughout the metro area, both in elementary school programs and in private and public art, music and theatre settings. We have spoken to numerous arts-related organizations, non-profits and schools, and will be able to both use these as a resource as well as compile a list of prospective students, if necessary, from the many students enrolled in these programs. Finally, we will attract those seeking a more disciplined and rigorous academic experience in an innovative and nurturing community, and students who feel underserved by the current IPS system.

Because of the unique nature of our program and its attraction to so many youth, as well as the reservoir of students graduating from FHE who very likely will seek admission, we foresee far more students applying than there are spaces. However, we plan to publicize our performing arts school widely both through our many partners and through arts organizations throughout the city to attract those students looking for an

arts option. As Flanner House's focus has been to serve minority and poor populations, we will particularly outreach to these communities, and anticipate that the majority of our students will come from these backgrounds. And Flanner House's many connections within these communities will also draw prospective students to the school.

*FHMSPA* feels that a middle school, an area often neglected in educational innovation initiatives, offered the best opportunity to inspire children. It is an age when there is still much innocence, but also a capacity to understand and experience the arts at a more concentrated level than during the elementary years. We plan to enroll 50 students in each class, beginning with the 6<sup>th</sup> and 7<sup>th</sup> grade, and add an 8<sup>th</sup> grade in our 2<sup>nd</sup> year, for a total enrollment of 150. We want to keep our school small enough to provide the individual attention of our mission, and to keep the sense of a campus community.

### Special Grants and Endowments

*FHMSPA* will receive funding from a \$1,000,000 special fund set up as part of the current \$13,500,000 capital campaign that will also support construction of its facility (See Appendix A, "A Commitment to Educational Excellence," page 3). The total endowment will principally be divided up between current or planned charter schools, with \$250,000 specifically designated to *FHMSPA*. Though this campaign is just now being launched, it has already received several hundred thousand dollars, and over 200 funders are being approached with the help of a professional fundraiser. (A total of 61 were initially interviewed for the feasibility study.)

*FHMSPA* is also applying for a separate seed grant to permit its founders to visit outstanding charter performing arts schools throughout the country.

Finally, *FHMSPA* is planning on a major (\$150,000-\$200,000) grant from the Walton Family Foundation, which has donated heavily to SchoolStart-supported schools (as well as SchoolStart itself). The four Minnesota schools SchoolStart recently helped open received an average of gift of \$163,000 each.

We also anticipate receiving federal start-up funds to help with our planning and implementation activities.

Budget Estimates Follow:

	<b>Pre-Opening</b> <i>From approval to opening</i>	<b>Fiscal Year</b> <b>2003-04</b>	<b>Fiscal Year</b> <b>2004-05</b>	<b>Fiscal Year</b> <b>2005-06</b>
Projected Enrollment		100	150	150
<b>I. Revenues</b>				
Carry-over + reserve from previous period		104,000	66,755	212,697
Per Pupil Payments		597,375	1,024,477	1,050,089
State Grants		5,000	10,000	10,000
Federal Grants	150,000	150,000	150,000	
Private Funds	125,000	125,000	125,000	25,000
Lunch Revenue		31,200	62,400	93,600
Other				
	<b>275,000</b>	<b>1,012,575</b>	<b>1,438,632</b>	<b>1,391,385</b>
<b>II. Expenditures</b>				
<b>Human Resources</b>				
Administrator Salary	10,000	65,000	66,950	68,959
Start Up Coordinator Contract	30,000	10,000		
Lead Teachers Salaries	0	50,000	103,000	106,090
Teachers (FT) Salaries	0	185,500	288,400	297,052
Teachers (PT) Salaries		40,000	61,800	63,654
Special Education Teacher	0	40,000	51,500	53,045
Secretary/Clerical Salary	7,500	25,000	25,750	27,500
Payroll Taxes (9%)		37,395	53,766	55,467
Benefits (25%)		103,875	149,350	154,075
Custodial Services		5,000	5,150	5,305
Contract/Consultants	0	2,000	2,000	2,000
Professional Development	5,000	10,000	10,300	10,609
Substitute Teachers		7,000	9,000	9,000
Board Recruitment				
Board Development	4,000	3,000	2,500	2,500
Other Human Resources Expenses				
<b>Total Human Resources</b>	<b>56,500</b>	<b>583,770</b>	<b>829,466</b>	<b>855,255</b>
<b>Facility</b>				
Rent	0	20,000	20,600	21,200
Mortgage				
Renovation/Construction	0	0	0	0
Debt Service				
Utilities		17,500	27,563	27,563
Maintenance		3,500	3,605	3,713
Other Facility Expenses				
<b>Total Facility</b>	<b>0</b>	<b>41,000</b>	<b>51,768</b>	<b>52,476</b>

<b>Materials/Supplies/Equipment</b>				
Textbooks and Other Instructional Supplies		20,000	26,250	26,250
Assessments		7,500	11,250	11,250
Instructional Equipment		3,000	4,500	3,000
Classroom Technology		10,000	11,250	7,500
Office Technology and Software	5,000	3,000	2,000	2,000
Instructional Software/Internet Access		2,000	3,000	4,000
Library		7,500	7,500	7,500
Office and Faculty Furniture		1,500	1,250	1,250
Classroom Furniture		12,500	10,000	10,000
Copying and Reproduction	2,000	7,500	11,250	7,500
Postage and Shipping	2,000	2,000	3,000	3,000
Telephone/Fax Lines/Long Distance	1,000	2,000	2,000	2,000
Other Material/Supplies/Equipment	1,500	2,500	3,000	3,500
<b>Total Materials/Supplies/Equipment</b>	<b>11,500</b>	<b>81,000</b>	<b>96,250</b>	<b>88,750</b>
<b>Additional Costs</b>				
Contracted Services (SchoolStart, etc.) and Business Services	65,000	70,000	25,000	15,000
Special Education Cooperative		20,000	20,000	20,000
Insurance		20,000	21,000	22,050
Marketing/Development	25,000	15,000	5,000	5,000
Legal Expenses	5,000	3,000	3,000	3,000
Accounting/Audit	3,000	12,000	12,360	12,731
Transportation		43,550	68,591	71,858
Field Trips		12,500	30,000	30,000
Food Service		39,000	58,500	58,500
Cash Reserve @ 3%	6,875	30,377	43,159	41,742
Other/Miscellaneous	5,000	5,000	5,000	5,000
<b>Total Additional Costs</b>	<b>109,875</b>	<b>270,427</b>	<b>291,610</b>	<b>284,880</b>
<b>Total Revenues</b>	<b>275,000</b>	<b>1,012,575</b>	<b>1,438,632</b>	<b>1,391,385</b>
<b>Total Expenditures</b>	<b>177,875</b>	<b>976,197</b>	<b>1,269,094</b>	<b>1,281,360</b>
<b>Balance</b>	<b>97,125</b>	<b>36,378</b>	<b>169,538</b>	<b>110,025</b>

## BUDGET NARRATIVE

### Revenue Assumptions:

*Carry-over + reserve from previous period.* The fund balance remaining from the previous year.

*State Per Pupil Funding.* Based on the Indiana Department of Education's school formula estimates for Calendar Year 2003 (made available to the Indiana Charter Resource Center in late 2002) This formula includes State Regular aid, Levy funds, Auto Excise funds, Special Ed, and At Risk funds. We assume that approximately 80% of our students are resident in Indianapolis Public Schools (average of \$6,700 per student annually), with the balance from township schools (average of \$5,700 per student), yielding a blended average of \$6,500 per student. We estimate inflation at 2.5% annually (calendar year).

*State Grants.* Includes competitive state grants such as Safe Schools and technology initiatives.

*Federal Start-Up Grants.* FHMSPA expects to be awarded this competitive grant, which amounts to \$150,000 per year for three years.

*Private Funds.* We expect to receive a total of \$250,000 in private support during our first and second operational years from the Flanner House fundraising campaign soon to begin. We also expect to submit an application to the Walton Family Foundation for both planning and start-up support, and will also seek other foundation, corporate and individual donations, including small gifts from school families and friends.

*Lunch Revenue.* This includes both State funds for students with free and reduced lunch classification as well as fees paid by families. We estimate this amount at \$2 per student per day for a maximum of 195 days.

### Enrollment Projections

2003-04	100 students
2004-05	150 students
2005-06	150 students
2006-07	150 students
2007-08	150 students

### Expenditure Assumptions:

Assumes a 3% annual inflation rate on most items.

<u>Position</u>	Salary in 03-04	Number (03-04)	Number (04-05)	Number (05-06)
Administrator	\$65,000	1	1	1
Lead Teachers	\$50,000	1	2	2
Teachers	\$35,000	5	8	8
Part-Time Teachers	\$20,000	1 FTE	1.5 FTE	1.5 FTE
Special Ed. Teacher	\$20,000	1	1	1
Clerical	\$20,000	1	1	1
Custodial Services	\$ 5,000	.25	.25	.25

During the start-up year, all positions will be contracted, not salaried.

*Consultant Fees* Curriculum Development, evaluation, and other educational program consulting.

*Payroll Taxes.* Calculated at 9% of salaries.

*Benefits.* Calculated at 25% of salaries.

*Professional Development.* Includes regular training, consulting, and occasional conferences and site visits to exemplary schools.

*Substitute Teachers.* \$100 per month per teacher @10 months + \$2,000

*Board Development.* Training and consulting.

## **Facility**

*Rent.* Calculated at 100 sq. ft. per student at \$2 per sq ft on the Flanner House campus, housed in a facility expected to be completed by August 2003.

*Utilities.* Calculated at \$1.75 per square foot used at 5% annual inflation.

*Maintenance.* Repairs and cleaning supplies.

## **Materials/Supplies/Equipment**

*Textbooks and other instructional supplies.* Calculated at \$200 per student for supplies, books and textbooks in year one, declines afterward.

*Assessments.* Calculated at \$75 per student.

*Instructional Equipment.* Includes VCR and overhead projectors. for classroom. Calculated at \$30 per student for the first two years, \$20 in year three, \$15 subsequently.

*Classroom Technology.* Estimated at \$150 per student for the first year, \$75 in year two, \$50 in year 3, \$40 afterward, including maintenance and repair.

*Office Technology and Software.* Includes leasing and/or purchasing computers, printer, fax and copier; estimated at \$8,000 combined over the start-up and first year.

*Instructional Software and Internet Access.* Calculated at \$25 per student in first year, slightly less after that.

*Library.* For book acquisitions; calculated at \$75 per student for the first year, \$50 in years two and three, and \$40 per student afterward.

*Classroom Furniture.* Calculated at \$125 per student the first year, \$125 per new student in years two and three, and \$25 per student for maintenance and replacement in subsequent years.

*Office and Faculty Furniture.* Calculated at \$250 per new staff member.

*Copying and Reproduction.* Estimated \$2,000 pre-operating year; Calculated at \$75 per student in years one and two; \$50 per student afterward.

*Postage and Shipping.* Estimated \$2,000 pre-operating year; Calculated at \$20 per student subsequent years.

## **Additional Costs**

*Contracted and Business Services.* Consulting services and start-up support from SchoolStart will be the large majority of this category in the start-up, first, and perhaps second years of operation. Also includes consulting related to strategic and business planning and other business services.

*Special Education Charter School Cooperative Services.* Estimated cost on participating in the Special Education cooperative, based on 2002-03 rates (cost of Director of Special Education, and overhead divided by the number of participating schools).

*Insurance.* Estimate based on charter schools in other states. Includes all required coverage.

*Marketing Development.* Consulting and material costs for student recruitment activities and public relations, including cost of producing brochures and materials.

*Legal Expenses.* Includes setting up the non-profit status of the school and review and approval of contracts.

*Accounting and Audit.* Estimated at \$3,000 for pre-operational year and \$4,000 per operating year for bookkeeping services, and \$8,000 a year for an annual audit to be conducted by a separate contractor for subsequent years.

*Transportation.* Estimated service to 67% of students at \$650 per year, with 5% annual inflation. *Field Trips.* Fieldtrips calculated at \$25 per student, 5 times a year 1<sup>st</sup> year, 5 times a year afterward.

*Food Services.* Calculated at \$2.00 per day per student for maximum of 195 days.

*Cash Reserve.* We will put 3% of all revenues into a reserve fund, to be left untouched (and included in the following year's budget as carryover from the previous year).

## **B. Governance and Management**

*FHMSPA* will have a board of directors, along with various board committees; two co-Directors; and an Advisory Council. Our approach is to be lean, entrepreneurial, innovative, and creative at all levels. We will have an administrative staff and structure that will allow us to change directions quickly if a new opportunity suddenly arises.

Currently, *FHMSPA* has in place:

- founding board members, which includes both educators and leaders in the arts community;

- a co-director (De Neen Owens) who has a strong background in both fiscal management *and* the arts. She will serve as Director of Arts Programming as well as Business Manager. We also have in mind a Co-Director who will serve as Director of Education. She is currently an IPS middle school teacher who is entering a principal-licensure program and has a strong interest in the arts. She meets the criteria we have established for this position: an appreciation of the arts and their importance and value to education; excellent people skills and a willingness to work closely with parents and volunteers; a collaborative decision-making focus; a willingness to work closely with the larger community; an appreciation for the social service mission of Flanner House (in partnership with the school); a strong belief in instilling mutual respect; and a passion for inspiring students to do their absolute best in everything they try.
- an Advisory Council, led by Alpha Blackburn, a recognized leader of the arts in the metro area.
- volunteer participants currently working on programs and partnerships
- a number of prospective instructors working with the school. These are actively participating with the school and intend to join our staff but are currently working for IPS (including a 7<sup>th</sup> grade math instructor and an arts instructor).

Our Board of Directors is being recruited to include extensive experience in financial, legal, educational, and business/entrepreneurial areas. We have been looking for candidates who have a passion for educational reform as well as an interest in the arts as a vehicle to learning. As candidates are identified as potential members, they are interviewed by the school's founders or those currently designated as members.

### Board of Directors and School Responsibilities

The *FHMSPA* Board of Directors will:

- be responsible for ensuring that the mission and vision of the school is maintained
- make all major policy decisions
- set a budget for each school year, in cooperation with its Finance Committee
- design personnel selection procedures and job descriptions consistent with legal requirements
- review the implementation of evaluation standards and criteria for the purpose of strengthening the goals, objectives, and instructional philosophy of the school, and undertake annual goal-setting for academic and non-academic outcomes
- set policy necessary for the orderly day-to-day operation of the school
- assess performance on standardized tests, and evaluate and recommend other assessments in cooperation with a committee that includes staff and parents.
- undertake other governing activities that further the policies and goals of the school that fall under its prerogative as a Board
- assess the performance of the school's leadership
- undertake both short and long-range strategic planning

- ensure that all staff undergo professional development to address specific school needs
- ensure that *FHMSPA* adequately meets all sponsorship requirements, and
- serve as a body of appeal for the greater school community

The Board makes decisions through discussion, followed by a majority vote. School staff, parents, and community members are invited to provide input and advice. The current board will be a transitional start-up board with an emphasis on people with experience in start-up activities. In the fall of 2003, it will transition to a more permanent board with greater representation from staff and parents.

Leadership will be a partnership of the Board, the Co-Directors, parents and community leaders, and non-voting student representatives. These will all have distinct areas of responsibility that will be established or approved by the Board or a Board subcommittee.

#### 1. Curriculum

Though the Board will be responsible for ensuring that overall curricular policy remains faithful to the school's mission, specific curriculum will be the responsibility of the Director of Education. The Director of Education will also ensure that the curriculum meets the needs of all students. She will seek advice from staff, parents, and experts regarding various state and national models and programs, and be responsible for implementation of the Indiana standards. This overall curriculum approach must continue to have the support and approval of the Board.

#### 2. Staffing/Personnel

The Director of Education will be primarily in charge of staff hiring, accountability and managing staff. She will make personnel decisions with the advice of a faculty committee. Any legal or contractual issues will be brought before the board, which will also enter into contracts with employees. The Board will also be responsible for hiring and evaluating the Co-Directors.

#### 3. Budget Allocation

While ultimate responsibility for approving the annual budget lies with the Board, day-to-day budget allocation will be under the overall direction of the school's Co-Directors, and administered through its Business Manager. The Business Manager will also report to the board treasurer and the entire board at each meeting regarding the school's finances in terms of the annual budget. The board will also undertake fundraising from private individuals, businesses and corporations. All major business and financial decisions will be brought before the Board.

#### 4. Vendor Selection

Vendor selection will be the responsibility of the Business Manager, with ongoing recommendations and feedback from other appropriate school personnel.

## SchoolStart

*FHMSPA* is working closely with SchoolStart, a non-profit consulting group composed of individuals with extensive charter experience in other states that has also helped with FHE with many aspects of the start-up process. SchoolStart is originally based in St. Paul, Minnesota, where the national charter movement was launched in 1991. SchoolStart recently received a major grant from the Walton Family Foundation to help subsidize the cost of its work, in order to help support twenty-two new charter schools over the next three years. It will assist *FHMSPA* by giving advice in the areas of finance, fundraising, governance, staff development, accountability, board training, and other key issues, with the aim of empowering the school community to build its own capacity for long-term success. It will work with *FHMSPA* on a fee for service consulting basis through a contract approved by our Board, with a partial subsidy from Walton.

SchoolStart was specifically founded to offer short-term consulting to new schools and avoid the costs, long-term contracts, and external structure and management often involved in contracting with an EMO. It works with schools through the first year or two, does not charge a percentage of revenues, has substantial foundation support, and has no fixed curriculum or prior plan for any charter. Rather, its objective is to teach founders to fulfill their own particular vision in whatever way they see fit through offering technical advice and assistance. Its role is purely advisory, and at no time does it have any decision-making authority regarding a school matter.

SchoolStart will continually report to the Co-Directors and board regarding its activities in behalf of the school. If at any time the board feels that it is not performing its duties as promised, its contract can be terminated.

As a key part of its contract with *FHMSPA*, SchoolStart will provide ongoing board development through both retreats, advice, and handbooks. It will also work closely with board officers to ensure all board functions are carried out appropriately, as well as help in drafting short and long-term strategic plans.

## **C. Transportation**

*FHMSPA* will work closely with FHE in providing bus transportation for its students. It is anticipated that students will be drawn from the same basic geographic areas as FHE. As FHE will enter into a contract with a busing company in the prior year (and is in the process of doing so), *FHMSPA* will be able to piggy-back on this contract through adding additional buses and expanding the route to accommodate its own students. An additional factor that will facilitate this process is that some families will have students in both schools. Funding for busing will come out of the school's general funds (unless the state specifically delegates transportation dollars before opening).